



September 9, 2015

Mrs. Paula Wallace, President
Savannah College of Art & Design
622 Drayton Street
Savannah, GA 31401

UPS Tracking Number:
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RE: Expedited Final Program Review Determination Letter
OPE ID: 02141500
PRCN: 201540429083

Dear President Wallace:

From August 2, 2015 through August 7, 2015, Robert Scott, Jon Finkelstein and Daniel Castellanos conducted a review of Savannah College of Art & Design's (SCAD) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The purpose of this Final Program Review Determination Letter is to close the program review.

The focus of the review was to determine SCAD's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of SCAD's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 30 files was identified for review from the 2014 and 2015 (year to date) award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information.

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Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning SCAD's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve SCAD of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

The School Participation Division - Atlanta has made a Final Program Review Determination concerning the findings that were identified during the program review. Following is a discussion of the findings identified and the resolution of those findings.

Program Findings and Final Program Review Determinations:

Finding 1: Consumer Information Requirements Not Met

Citation: Each year a school must distribute to all enrolled students a notice of the availability of the information it must provide in the following general categories:

- general disclosures for enrolled or prospective students,
- annual security report (ASR),
- FERPA information (Family Educational Rights and Privacy Act of 1974).

The notice must list and briefly describe the information and tell the student how to obtain the information.

The general disclosures, found in 34 C.F.R. § 668.41-43, include, but are not limited to—

- The academic programs of the institution
- The institution's faculty and other instructional personnel; and
- The procedures and forms by which students apply for assistance;
- The student eligibility requirements;
- The criteria for selecting recipients from the group of eligible applicants; and
- The criteria for determining the amount of a student's award.
- The cost of attending the institution, including—
 - Tuition and fees charged to full-time and part-time students;
 - Estimates of costs for necessary books and supplies;
 - Estimates of typical charges for room and board;
 - Estimates of transportation costs for students; and
 - Any additional cost of a program in which a student is enrolled or expresses a specific interest;
- Any refund policy with which the institution is required to comply for the return of unearned tuition and fees or other refundable portions of costs paid to the institution;
- The requirements and procedures for officially withdrawing from the institution;
- The names of associations, agencies or governmental bodies that accredit, approve, or license the institution and its programs and the procedures by which documents describing that activity may be reviewed;
- A description of the services and facilities available to students with disabilities, including students with intellectual disabilities;

- The titles of persons designated and information regarding how and where those persons may be contacted;
- Institutional policies and sanctions related to copyright infringement, including—
 - A statement that explicitly informs its students that unauthorized distribution of copyrighted material, including unauthorized peer-to-peer file sharing, may subject the students to civil and criminal liabilities;
 - A summary of the penalties for violation of Federal copyright laws;
 - A description of the institution's policies with respect to unauthorized peer-to-peer file sharing, including disciplinary actions that are taken against students who engage in illegal downloading or unauthorized distribution of copyrighted materials using the institution's information technology system; and
- A description of the transfer of credit policies established by the institution which must include a statement of the institution's current transfer of credit policies that includes, at a minimum—
 - Any established criteria the institution uses regarding the transfer of credit earned at another institution; and
 - A list of institutions with which the institution has established an articulation agreement; and
 - A description of written arrangements the institution has entered;
- Financial assistance available to students enrolled in the institution.
- The institution's retention rate as reported to the Integrated Postsecondary Education Data System (IPEDS). In the case of a request from a prospective student, the information must be made available prior to the student's enrolling or entering into any financial obligation with the institution.
- The institution's completion or graduation rate and, if applicable, its transfer-out rate. In the case of a request from a prospective student, the information must be made available prior to the student's enrolling or entering into any financial obligation with the institution.
- The placement of and types of employment obtained by, graduates of the institution's degree or certificate programs.

Noncompliance: The reviewers found that while SCAD had all of the components for a refund policy, they were not detailed or explained sufficiently in the consumer information that is available and disbursed to students.

Institutional Action Taken to Resolve Noncompliance: Upon learning of this discrepancy, SCAD updated its consumer information policies and website to comply with Department guidelines.

Final Program Review Determination: SCAD has taken the corrective actions necessary to resolve this finding. Therefore, SCAD may consider this finding closed, with no further action required.

Finding 2: Failure to Return Funds Within Allotted Timeframes

Citation: 34 C.F.R. § 668.164(h), Returning funds, states that notwithstanding any State law (such as a law that allows funds to escheat to the State), an institution must return to the Secretary, lender, or guaranty agency, any title IV, HEA program funds, except FWS program funds, that it attempts to disburse directly to a student or parent but the student or parent does not receive or negotiate those funds. For FWS program funds, the institution is required to return only the Federal portion of the payroll disbursement.

If an institution attempts to disburse the funds by check and the check is not cashed, the institution must return the funds no later than 240 days after the date it issued that check.

If a check is returned to the institution, or an EFT is rejected, the institution may make additional attempts to disburse the funds, provided that those attempts are made not later than 45 days after the funds were returned or rejected. In cases where the institution does not make another attempt, the funds must be returned before the end of this 45 day period; and no later than the 240 day period described in paragraph (h)(2) of this section, the institution must cease any additional disbursement attempts and immediately return those funds.

Noncompliance: During an internal review by SCAD, it was found that the institution did not forward back to the Department credit balance funds that had been returned to the institution as undeliverable. While SCAD did make attempts to locate the students involved without success, the funds were not returned to the Department within the allowable timeframe.

Institutional Action Taken to Resolve Noncompliance: Upon discovery of the unreturned funds, SCAD immediately refunded to the Department the funds that had been held in error.

Final Program Review Determination: SCAD has taken the corrective actions necessary to resolve this finding. Therefore, SCAD may consider this finding closed, with no further action required.

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. § 668.24(e).

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We would like to express our appreciation for the courtesy and cooperation extended during the review. If you have any questions concerning this report, please call Robert Scott at (404) 974-9300.

Sincerely,



Chris Miller
Division Director

cc: Kimberly Beveridge, Financial Aid Director
GA Non-Public Postsecondary Education Commission
Southern Association of Colleges and Schools Commission on Colleges
Department of Defense
Department of Veterans Affairs
Consumer Financial Protection Bureau